INSTRUMENT NO. 030000 6382.
Recorded in the Clerk's Office of Dickenson County

BK 374PG 113

INSTRUMENT PREPARED BY
VIRGINIA GAS AND OIL BOARD

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VIRGINIA:

BEFORE THE VIRGINIA GAS AND OIL BOARD

SUPPLEMENTAL ORDER REGARDING

DOCKET NO. VGOB-01/1016-0967

ELECTIONS, UNIT: VG501832

(hereinafter "Subject Drilling Unit")

REPORT OF BOARD

## FINDINGS AND ORDER

1. This Supplemental Order is entered by the Board sua sponte in the form authorized by the Board at its hearing held at 9:00 a.m. on October 20, 1992, Board of Supervisors Room, Courthouse, Grundy, Virginia, and pursuant to authority granted to the Board's Chairman at the hearing of the Virginia Gas and Oil Board on June 16, 1992, at 9:00 a.m. at the Rhododendron Restaurant at the Breaks Interstate Park, Breaks, Virginia; and this Supplemental Order is being recorded for the purpose of (1) complying with the requirement of the Virginia Gas and Oil Board Regulations, 4 VAC 25-160.70C by supplementing the Order previously issued by the Board for subject Docket on November 28, 2001 and recorded at Deed Book 370, Page 568 in the Office of the Clerk of Circuit Court, Dickenson County, Virginia on November 29, 2001 (herein "Board Order") to complete the record regarding elections. The Board Order pooled all interest in Subject Drilling Unit including those of the Respondents more particularly set forth and identified by the Designated Operator in the affidavits attached hereto and made a part hereof. The Board finds it has jurisdiction over the subject matter pursuant to the provisions of the Virginia Gas and Oil Act, § 45.1-361.1 et seq., Virginia Code, 1950 as amended.

## 2. Findings: The Board finds that:

- (a) The Board Order directed Equitable Production Company, (herein the Designated Operator"), to mail copies of the Board Order to all respondents whose interest, if any, were pooled by said Board Order;
- (b) The designated operator filed its affidavit of mailing dated December 14, 2001, disclosing that it had mailed a correct copy of the Board's Order to all Respondents whose interest, if any, were pooled by said Board Order;
- (c) The Board Order required each Respondent whose interest, if any, were pooled by the terms of said Board Order to make his or her election within thirty (30) days after the date of mailing or recording, as applicable, of said Order; the Designated Operator has filed its affidavit dated March 11, 2002, in accordance with § 7.C of the Virginia Gas and Oil Board Regulations and 4 VAC 25-160.70C (herein "Affidavit of Election"), wherein it has, for each Respondent whose interest, if any, were pooled by said Board Order, stated: (i) whether

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- each Respondent has made or failed to make a timely election; (ii) the nature of the election made, if any; (iii) whether, by reason of a failure to elect or to timely elect one or more Respondents are deemed, under the terms of the Board's Order, to have leased all their rights, title, interest, estates and claims in Subject Drilling Unit to the Designated Operator;
- (d) The Board Order further required the Designated Operator, after expiration of the election period, to file with the Board a statement of the interests subject to escrow under the terms and provisions of the Board Order, in light of the elections made or deemed to have been made (herein "Statement of Interests"); that the Designated Operator furnished said Statement of Interests as part of its Affidavit of Election. A copy of which is attached hereto as Exhibit B;
- (e) Current Board standards requiring the escrow of funds and the Board's agreement with its Escrow Agent, First Union National Bank, Corporate Trust, PA 1328, 123 Broad Street, Philadelphia, PA 19109-1199, (888) 396-0853, Attn: Don Ballinghoff, or any successor named by the Board, require the entry of a Supplemental Order establishing of record the elections made or deemed to have been made and specifying the sums or percentage thereof subject to escrow. Current Board escrow standards were made applicable to Subject Drilling Unit by a Board Order dated December 23, 1992.
- 3. Order: By this Order, the Board orders the Designated Operator to tender, consistent with and in accordance with the findings set forth at paragraph 2 above and the annexed Affidavits, any funds subject to escrow and instructs the Escrow Agent, First Union National Bank, Corporate Trust, PA 1328, 123 Broad Street, Philadelphia, PA 19109-1199, (888) 396-0853, Attn: Don Ballinghoff, or any successor named by the Board to establish interest-bearing escrow account(s), IRS Tax Identification Number 54-1629506, in accordance with the information set forth in said affidavits to receive such funds and account to the Board therefore.
- 4. <u>Mailing of Order and Filing of Affidavit</u>: The Designated Operator under the captioned Order or its Attorney shall file an affidavit with the Secretary of the Board within ten (10) days after the date of receipt of this Order stating that true and correct copy of this Order to each person whose interest or claim is subject to escrow and whose address is known.
- 5. <u>Conclusion:</u> Therefore, the findings and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.
- 6. Effective Date: This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 26 the Virginia Gas and Oil Board.
Chairman, Bennyk. Wampler
DONE AND PERFORMED THIS 27 day of March, 2002 by Order of this Board.
B. R. Wilson Principal Executive to the Staff Virginia Gas and Oil Board
STATE OF VIRGINIA ) COUNTY OF WISE )
Acknowledged on this 21th day of March, 2002, personally before me a notary public in and for the Commonwealth of Virginia, appeared Benny R. Wampler, being duly sworn did depose and say that he is Chairman of the Virginia Gas and Oil Board, that he executed the same and was authorized to do so.
Susar & Sanett
Notary Public
My commission expires: July 31, 2002.
STATE OF VIRGINIA ) COUNTY OF WISE )
Acknowledged on this 27 day of
Diane J. Davis Notary Public
My commission expires: 9/3D/05 Order Recorded Under Code o

### **VIRGINIA:**

## BEFORE THE VIRGINIA GAS AND OIL BOARD

IN RE: Application of Equitable Production Company, for Forced Pooling of Interests in Unit Number V-501832 VGOB Docket No. VGOB-01/1016-0967 in the Willis Magisterial District of Dickenson County, Virginia.

AFFIDAVIT OF WILHOIT & KAISER, Attorneys-at-Law, Agents for the Designated Operator REGARDING ELECTIONS, ESCROW ACCOUNTS AND SUPPLEMENTAL ORDER

James E. Kaiser (herein Affiant), being first duly sworn on oath, deposes and says:

- 1. That the Affiant is an attorney in the law firm of WILHOIT & KAISER, the Agent for the Designated Operator, with offices located at 220 Broad Street, Kingsport, Tennessee 37660, and is authorized to give this Affidavit in its behalf;
- 2. That the Order entered on November 28, 2001, by the Virginia Gas and Oil Board regarding the captioned Conventinal Unit required the Applicant to mail a true and correct copy of said Order to each person pooled by said Order;
- 3. That within seven (7) days of the receipt of an executed copy of the Order referred to at Paragraph 2. above, the Affiant was directed to cause a true and correct copy of said Order to be mailed via the United States Postal Service to each Respondent named in the captioned Application, whose address was known, and to all persons, if any, who are added as Respondents at the hearing held in the captioned matter;
- 4. That the Order of the Virginia Gas and Oil Board in the captioned matter required all persons pooled thereby to tender their written elections to the Unit Operator within thirty (30) days of the date said Order was recorded in the county above named; that said Order was recorded on November 29, 2001.
- 5. That the Designated Operator, by and through their agent, Wilhoit & Kaiser, Attorneys-at-Law, have established procedures to review all mail received and all written documents received by means other than by mail to ascertain whether parties whose interest have been pooled have made a written election, in a timely fashion, as required by the captioned Order; that said procedures were followed to identify the elections, if any, made with regard to Subject Unit; that the following persons delivered, by mail or otherwise, written elections to the Unit Operator, within the thirty day election periods:

**NONE** 

6. That the interest and/or claims of the following persons (who made timely elections, or who are deemed under the terms of the Board's Order to have leased, or who, subsequent to the pooling hearing held in the captioned matter, have leased or otherwise entered into an agreement with the Designated Operator) are subject to escrow under the Board's Order pooling the captioned Unit, Board Regulations and the Code of Virginia; that opposite the name of each person named as a Respondent listed below is set forth:

Tract	Name	Interest
2	Stephen H. Brinkley Subject to Escrow	0.00181163 RI
2	Unknown Heirs of Frank Allen Kilgore Subject to Escrow	0.00362324 RI
3	Stephen H. Brinkley Subject to Escrow	0.00078662 RI
3	Unknown Heirs of Frank Allen Kilgore Subject to Escrow	0.00157324RI

7. That after the pooling hearing held in the captioned matter, the following persons have leased or entered into a voluntary agreement with the Designated Operator with regard to their interest and/or claims which are not subject to escrow:

### **NONE**

8. That the following persons have not made a timely election and have failed to enter into an agreement with the Designated Operator and their respective interests shall be deemed to have leased pursuant to and in accordance with paragraph 10 of the Order.

<u>Tract</u>	<u>Name</u>	Name <u>Cash Consideration</u>				
2 & 3	Stephen Brinkley Unknown/Unlocatable Subject to Escrow	✓ 2.3421 x \$5.00 = \$11.72				
2 & 3	Unknown Heirs of Frank Allen Kilgore Subject to Escrow	√ 4.6842 x \$5.00 = \$23.43				
		7.0203				
	2	112.69=				
		6.235%				

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That pursuant to the provision of 4VAC 25-160.70C annexed hereto and incorporated herein is a proposed supplemental order to be entered to complete the record regarding elections; that said annexed supplemental order sets forth that the services of the Escrow Agent are required in this matter pursuant to the terms of §§ 45.1-361.21.D.

Dated at Kingsport, Tennessee, this _	112	_ day of	Mary	2002.	
				Jane 1	
			Affiant	76.00	
Taken, subscribed and sworn to before Production Company, a corporation, of 2002.	re me by 3 on behalf	James E. K of the cor	Kaiser, the Agent poration, this	1 / 7/	lay of
My commission expires: 3-13-0	V C				
	_	Qin	ta Sm	it	
	N	otary			

# EXHIBIT "BK 374PG 119

## V-501832 VGOB-01/10/16-0967

TRACT	<u>LESSOR</u>	LEASE STATUS	INTEREST WITHIN <u>UNIT</u>	GROSS ACREAGE <u>IN UNIT</u>	NET REVENUE INTEREST
1	S.H.G. Enterprises c/o Dwale Development, LLC 5752 Powell Valley Road Big Stone Gap, Virginia 24219	Leased-EPC 242972L Tract 15	67.270000%	75.8100	0.08408750 RI
	Equitable Production Company				0.58861250 WI
Tract 1 To	tals		67.270000%	75.8100	0.67270000
2	Columbus C. Kilgore Heirs: Alice D. Kilgore c/o Frances A. Wentworth, AIF 237 Hebron Lane Thomasville, Georgia 31792	Leased-EPC 242937L 04	0.966200%	1.0886	0.00120775 RI
	Frances A. Wentworth and Neil Wentworth 237 Hebron Lane Thomasville, Georgia 31792	Leased-EPC 242937L 04	1.932400%	2.1771	0.00241550 RI
	Craig R. Clark 1407 Avenue D, NE Winterhaven, Florida 33881	Leased-EPC 242937L 03	1.449300%	1.6329	0.00181163 RI
	Virginia Louise Graska and Robert H. Graska, Sr. 1253 Crestview Drive Ashland, Ohio 44805	Leased-EPC 242937L 06	1.449200%	1.6329	0.00181150 RI
	Paul H. Kilgore Heirs c/o Ruth Kilgore, Agent 2745 Kennett Drive Liburn, Georgia 30047	Leased-EPC 242937L 02	2.898600%	3.2657	0.00362325 RI
	Franz Von Kilgore 1529 Paisano NE Albuquerque, New Mexico 87112	Leased-EPC 242937L 01	0.966200%	1.0886	0.00120775 RI
	Bonnie Beth Stauffer 1680 North Camden Court Auburn, Alabama 36830	Leased-EPC 242937L 01	0.966200%	1.0886	0.00120775 RI

## EXHIBIT "B" V-501832

VGOB-01/10/16-0967

TRACT	LESSOR	LEASE STATUS	INTEREST WITHIN <u>UNIT</u>	GROSS ACREAGE <u>IN UNIT</u>	NET REVENUE INTEREST
	Mary Dawn Hurst 3719 E Peach Hollow Creek Pearland, Texas 77584	Leased-EPC 242937L 01	0.966200%	1.0886	0.00120775 RI
	James R. Kilgore and Joannn Kilgore 116 Cherry Brook Drive Nicholasville, Kentucky 40356	Leased-EPC 242937L 05	4.347800%	4.8986	0.00543475 RI
	Stephen H. Brinkley Address Unknown	Unleased	1.449300%	1.6328	0.00181163 RI
	Unknown Heirs of Frank Allen Kilgore Address Unknown	Unleased	2.898600%	3.2656	0.00362324 RI
	Equitable Production Company				0.17753750 WI
Tract 2 Totals		- 10 to	20.290000%	22.8600	0.20290000
3	Columbus C. Kilgore Heirs: Alice D. Kilgore c/o Frances A. Wentworth, AIF 237 Hebron Lane Thomasville, Georgia 31792	Lease-EPC 242680L 04	0.419500%	0.4729	0.00052438 RI
	Frances A. Wentworth and Neil Wentworth 237 Hebron Lane Thomasville, Georgia 31792	Lease-EPC 242680L 04	0.839000%	0.9457	0.00104875 RI
	Craig R. Clark 1407 Avenue D, NE Winterhaven, Florida 33881	Lease-EPC 242680L 05	0.629300%	0.7093	0.00078663 RI
	Virginia Louise Graska and Robert H. Graska, Sr. 1253 Crestview Drive Ashland, Ohio 44805	Lease-EPC 242680L 06	0.629300%	0.7093	0.00078663 RI
	Paul H. Kilgore Heirs c/o Ruth Kilgore, Agent 2745 Kennett Drive Liburn, Georgia 30047	Lease-EPC 242680L 03	1.258600%	1.4186	0.00157325 RI

Recorded in the Clerk's Office of Dickenson County

## EXHIBIT "B" V-501832 VGOB-01/10/16-0967

TRACT	<u>LESSOR</u>	LEASE STATUS	INTEREST WITHIN <u>UNIT</u>	GROSS ACREAGE <u>IN UNIT</u>	NET REVENUE INTEREST
	Franz Von Kilgore 1529 Paisano NE Albuquerque, New Mexico 87112	Lease-EPC 242680L 02	0.419500%	0.4729	0.00052438 RI
	Bonnie Beth Stauffer 1680 North Camden Court Auburn, Alabama 36830	Lease-EPC 242680L 02	0.419500%	0.4728	0.00052438 RI
	Mary Dawn Hurst 3719 E Peach Hollow Creek Pearland, Texas 77584	Lease-EPC 242680L 02	0.419500%	0.4728	0.00052437 RI
	James R. Kilgore and Joannn Kilgore 116 Cherry Brook Drive Nicholasville, Kentucky 40356	Lease-EPC 242680L 01	1.887900%	2.1278	0.00235987 RI
	Stephen H. Brinkley Address Unknown	Unleased	0.629300%	0.7093	0.00078662 RI
	Unknown Heirs of Frank Allen Kilgore Address Unknown	Unleased	1.258600%	1.4186	0.00157324 RI
	Equitable Production Company				0.07708750 WI
Tract 3 To	tals		8.810000%	9.9300	0.08810000
4	Pittston Company c/o Pine Mountain Oil & Gas Attn: Richard M. Brillhart P O Box 5100 Lebanon, VA 24266	Lease-EPC 241490L T-818	0.150000%	0.1700	0.00018750 RI
	Equitable Production Company				0.00131250 RI
Tract 4 To	tals		0.150000%	0.1700	0.00150000 WI
5	Ann Stratton 947 Southfield Road Shreveport, Louisiana 71106	Leased-EPC 242301L	3.480000%	3.9200	0.00435000 RI
	Equitable Production Company				0.03045000 WI
Tract 5 To	tals		3.480000%	3.9200	0.03480000
	TOTAL GAS ESTATE		100.000000%	112.6900	1.00000000

VIRGINIA: IN THE OFFICE OF THE CLERK OF THE CIRCUIT COURT OF DICKENSON COUNTY, 3/38 \_\_\_\_\_, 20 02. This deed was this day presented in said office, and upon the certificate of acknowledgment thereto annexed, admitted to record at 10:37 o'clock 10 after payment of tax imposed by Sec. 58.1-802.

Missal Maria

D. CLERK

## COMMONWEALTH OF VIRGINIA



### OFFICIAL RECEIPT DICKENSON CIRCUIT COURT DEED RECEIPT

DATE: 03/28/02 TIME: 10:39:12 ACCOUNT: 051CLR020000628 RECEINED REG: DK21 TYPE: 0THER PAYMENT: FULL PAYMENT INSTRUMENT: 020000628 BOOK: PAGE: M. RECORDED: 03 GRANTOR NAME: VIRGINIA GAS & OIL BOARD EX: N LOCALITY: COMPANY EX: N PERCENT: 10 AND ADDRESS: BIG STONE GAP VIRGINIA 24219 RECEIVED OF: DMME DATE OF DEED: 03 CHECK: \$19.00

DESCRIPTION 1: REPORT OF BOARD/WELL NO VGOB01/1016-0967 PARES OF THE PAYMENT. THE PAYMENT OF THE PAYMENT OF THE PAYMENT OF THE PAYMENT OF THE PAYMENT: FULL PAYMENT OF THE PAYMENT. THE PAYMENT OF THE THE PAYMENT OF THE PAYMENT OF THE PAYMENT. THE PAYMENT OF THE P RECEIPT: 02000001799 P RECORDED: 03/28/02 AT 10:37
EX: N LOCALITY: CO
EX: N PERCENT: 100% DATE OF DEED: 03/26/02 PAGES: NAMES: 2: CONSIDERATION: 5 ASSUME/VAL: .(
PAID CODE DESCRIPTION MAP: CODE DESCRIPTION 301 DEEDS PAID 19.00 TENDERED : AMOUNT PAID: CHANGE AMT : 19.00 19.00 .00

CLERK OF COURT: JOE TATE

DC-18 (12/01)

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